Total 1983 shelf volume
Full credit given to each manager and co-manager
($ millions)

Rank	Firm	$ volume	No./issues
1.	Salomon Brothers	16,542.4	170
2.	Goldman, Sachs	13,919.0	140
3.	Merrill Lynch Capital Mkts.	11,097.9	113
4.	First Boston	10,369.9	119
5.	Lehman Brothers Kuhn Loeb	6,934.5	66
6.	Morgan Stanley	5,095.1	58
7.	Kidder, Peabody	3,931.9	58
8.	Blyth Eastman Paine Webber	3,812.2	44
9.	Dean Witter Reynolds	2,413.0	38
10.	Prudential-Bache Securities	1,688.7	27
11.	A.G. Becker Paribas	1,600.4	20
12.	Shearson/American Express	1,573.8	23
13.	Drexel Burnham Lambert	1,347.6	21
14.	E.F. Hutton	1,303.8	18
15.	Dominion Ames	1,219.2	9

Total 1983 shelf volume
Credit given only to lead manager
($ millions)

Rank	Firm	$ volume	No./issues
1.	Salomon Brothers	7,984.9	88
2.	Goldman, Sachs	6,191.0	78
3.	First Boston	5,116.5	69
4.	Morgan Stanley	3,719.9	45
5.	Merrill Lynch Capital Mkts.	3,474.4	43
6.	Lehman Brothers Kuhn Loeb	2,992.6	31
7.	Blyth Eastman Paine Webber	1,942.5	22
8.	Kidder, Peabody	1,468.3	29
9.	Smith Barney, Harris Upham	663.2	21
10.	Drexel Burnham Lambert	647.0	11
11.	A.G. Becker Paribas	623.4	6
12.	Prudential-Bache Securities	433.7	9
13.	Dean Witter Reynolds	409.5	7
14.	Shearson/American Express	360.8	7
15.	Lazard Freres	213.8	1

Source: Securities Data Company, Inc.

Salomon . . .

Continued from page 13

a remarkable 93%, close to 2,200 issues." Total dollar volume for bond financing rose 18.65% from 1982 volume, while preferred stock issue dollar volume was up 67.49%.

When full credit was given to each manager and co-manager, Merrill Lynch was second with $28.8 billion and 330 issues, followed by Goldman, Sachs & Co. with $24.3 billion and 239 issues.

When credit was given only to the lead manager, Merrill Lynch was second with $11 billion and 181 issues. Goldman, Sachs was third with $10.7 billion and 137 issues.

In the breakdown for debt and equity issues, Salomon led the straight debt underwriting category when full credit was given to each manager and co-manager.

The investment bank raised $21.4 billion in 192 transactions, followed by Merrill Lynch and Goldman, Sachs.

With credit given only to the lead manager, Salomon led with $10.9 billion in 114 financings; First Boston was second and Goldman, Sachs was third.

Merrill Lynch topped the list for common stock issues when full credit was given to each manager and co-manager, raising $9.2 billion with 139 issues. Goldman, Sachs was second and Salomon, third.

Morgan Stanley was first in common stock underwriting when credit was given only to the lead manager. It raised $4.1 billion with 49 issues. Under this credit allocation, Goldman, Sachs placed second and Merrill Lynch, third.

The leading initial public offering manager in 1983 was Merrill Lynch, with $2.5 billion raised in 34 issues when full credit was given to each manager and co-manager. Shearson/American Express and E.F. Hutton were second and third respectively.

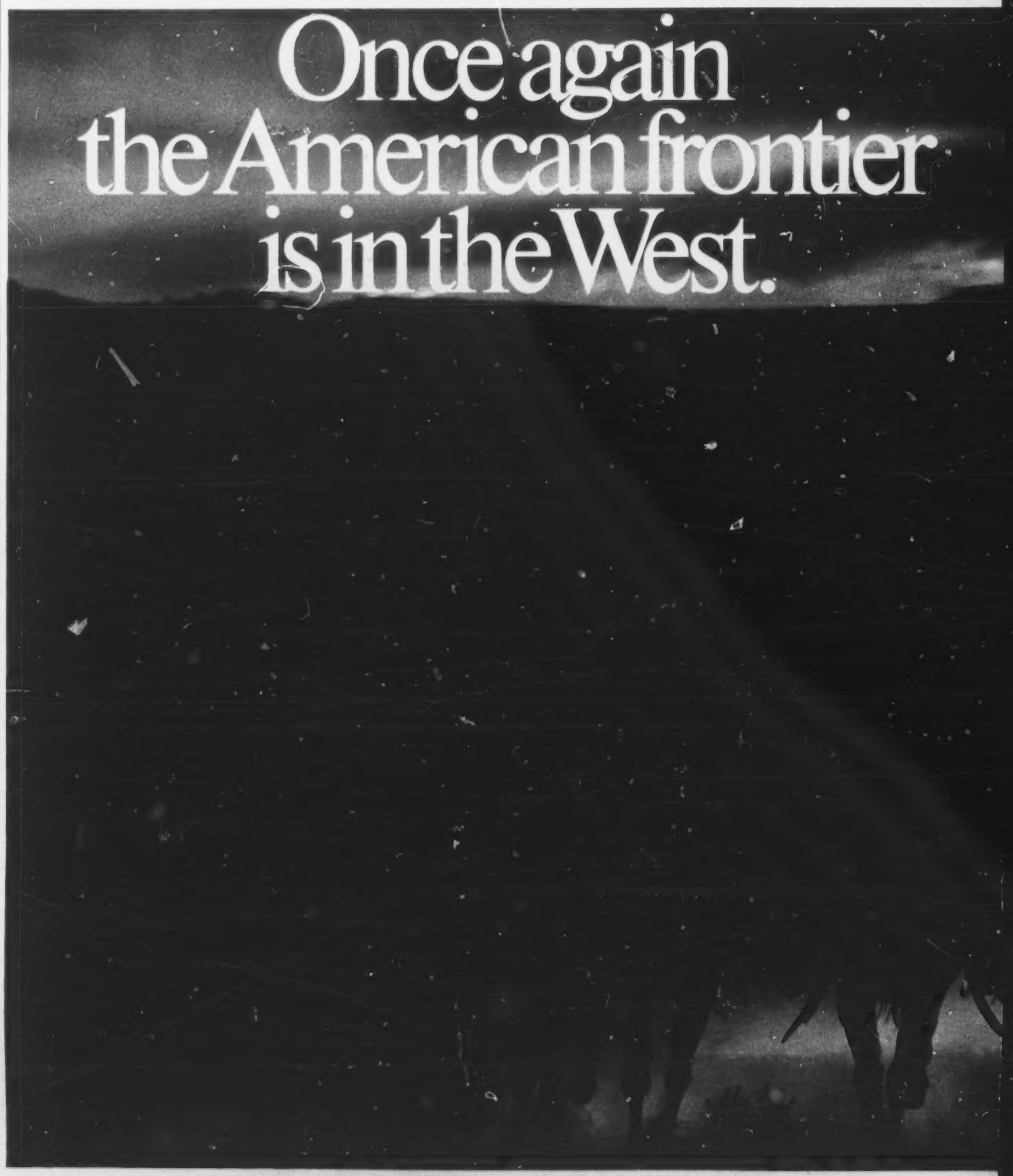
When full credit was given only to the lead manager, Salomon Brothers topped the list with $1.2 billion in 18 issues; L.F. Rothschild and E.F. Hutton followed.

Total initial public offering volume exceeded $12 billion in 1983. There were 689 transactions, more issues than all common stock done in 1982, reports Securities Data.

Shelf registered financings — on which much talk focused for two years — totaled $37.1 billion, or 38% of the total amount raised by corporations in 1983.

Salomon managed 170 shelf issues, raising $16.5 billion, emerging as the leader when credit was given to both lead manager and co-manager. Goldman, Sachs was second and Merrill Lynch was third.

When credit was given only to the lead manager, Salomon again was first, with $8 billion and 88 issues. Goldman, Sachs was second and First Boston was third. ■



2/28/84
C2710-2

Sponsors call Japanese advisers satisfactory

By Ivy Schmerken

NEW YORK — U.S. pension sponsors with Japanese investment managers are satisfied with the managers' performance, but are not yet convinced they are significantly better in the Japanese market than global managers are.

A survey by *Pensions & Investment Age* of U.S. pension funds using Japanese managers revealed that no one was disappointed with the Japanese managers, but no one was absolutely delighted either.

However, a Frank Russell International study made a strong case for hiring Japan-only equity managers. The study indicated Japanese managers outperform other managers in the Japanese market.

The regional firms specializing in Japan and the Pacific Basin markets have performed well, but not "head and shoulders above" the other international managers, said R. Charles Tschampion, director-investment manager relations for General Motors Corp.'s $17.8 billion pension fund.

International

GM hired Daiwa International Capital Management Corp. and Nomura Capital Management Inc. in early 1983, so Mr. Tschampion's assessment is based on only nine months' experience. But it seemed to reflect the consensus of the pension funds surveyed by *P&I Age*. The survey concludes:

• U.S. pension sponsors view Japanese investment managers as good, highly responsible managers. They judge the managers on the basis of their investment returns relative to other international managers, to the local market indexes and to the Standard & Poor's 500 stock index.

• They set investment returns as a priority above knowing what stocks a manager is holding. In theory, U.S. sponsors generally say

Continued on page 14

Pensions & Investment Age

©Entire contents copyright 1984 by Crain Communications Inc. All rights reserved.

The newspaper of corporate and institutional investing • $3.00 an issue • $60 a year • February 20, 1984

Fund lures large firms

By Steve Hemmerick

LOS ANGELES — Some of the nation's largest companies, including IBM and AT&T, are participating in a venture capital fund that primarily will invest in start-up companies in Southern, rather than Northern, California.

Other investors in the $36 million Oxford Venture Fund II include Hughes Aircraft Co., NCR Corp., Eaton Corp., General Motors Corp., Pitney Bowes Inc., Burroughs Corp. and General Electric Co.

Some, but not all, investments were for the company pension funds.

Neil Ryan, a co-founder of Oxford Ventures and a former vice president for corporate development for GTE Corp., said there are 11 venture capital partnerships operating in

Continued on page 53

29 trustees, adviser cited

DOL sues over investment of funds

By Richard J. Gillespie

WASHINGTON — The Department of Labor filed suit against 29 trustees of three union plans, including William Winpisinger, president of the International Association of Machinists and Aerospace Workers, as well as against investment counselor Sidney A. King.

According to the suits filed in Cincinnati and Washington, Mr. King breached his fiduciary duties by investing plan assets in companies from which he "received considerations for his own personal account."

"As a result of the . . . breaches . . . the plan(s) experienced substantial financial losses for which . . . plan trustees and Sidney A. King are jointly and severally liable," said the complaints.

Mr. King left Drexel Burnham Lambert's Los Angeles office in 1982 to join First Wilshire Securities Management Inc. as an operations and compliance officer. Neither firm was named in the suit, nor is there any reason to suspect either firm was involved.

The three union plans involved are the International Molders and Allied Workers Pension Fund, the MIRA-Molders and Allied Workers Pension Trust and the IAM Pension Plan.

The trustees were charged with violating the Employee Retirement Income Security Act by imprudently "relying on the investment advice" of Mr. King "in investing in the securities of companies to which Mr. King had a current or prospective economic interest or relationship."

Along with the restitution of losses, the complaints also request that an independent investment manager be named to handle the plans, and that Mr. King be enjoined from acting as a fiduciary or service provider to ERISA plans for at least 10 years.

Raymond J. Donovan, secretary of Labor, is the plaintiff.

The suit against IMAWP and MIRA was brought in U.S. District Court for the Southern District of Ohio, Western Division, under Judge S. Arthur Spiegel. The complaint against IAM was filed in U.S. District Court for the District of Columbia under Judge Stanley Harris.

The charges against the trustees were couched in very general terms, alleging violations of Sections 404 and 405 of ERISA, which deal with the fiduciary duties and liability for breach by co-fiduciaries respectively.

Likewise, charges against Mr. King were worded generally and alleged violations of Sections 404 and 406 of ERISA. Section 406 deals with prohibited transactions.

"The charges are not clear or specific, and it is very hard for us to make a statement without more than that," said Eugene Glover, secretary and treasurer of the IAM.

"There may be more specifics of which we are not aware. We would like to see more specifics before we make a statement."

Mr. Glover said the IAM plan named in the action is the pension fund for union headquarters' staff, not the main plan for union members.

Lawyers for the Labor Department declined to elaborate on any specific instances of wrongdoing.

An article appearing in *Pensions & Investment Age* on Dec. 20, 1982, detailed the activities of the IAM and IMAWP, and Mr. King was loosely associated with a company named in that article.

Continued on page 54

Late news

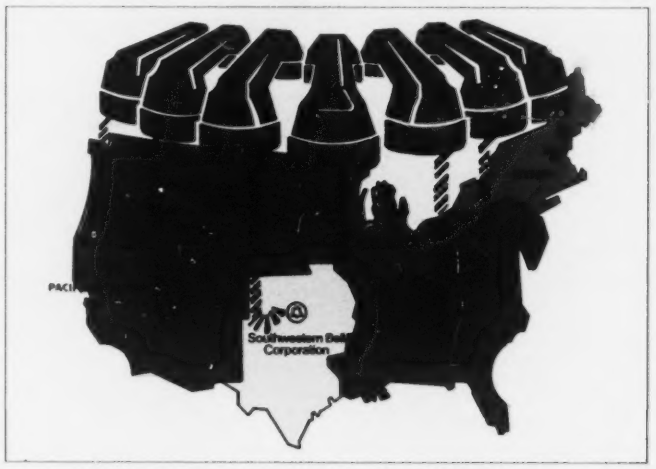
Account terminated

TOLEDO, Ohio — Dana Corp.'s $500 million plan dismissed a growth stock account with Putnam Advisory Counsel so the investment staff could manage it "more conservatively," said Louis Polries, vice president-investments. Mr. Polries did not say what portion of the $300 million in assets managed in-house were from Putnam.

Citibank appoints

NEW YORK — Claude Morton Jr. will become vice president and director of the real estate investment and management department at Citibank Investment Management March 5. Mr. Morton replaces Wayne Stemmer, who left to become president of Unicorp American.

Continued on page 2



The seven telephone operating companies spun off from AT&T are forging new relationships in pension investments, investment banking and cash management.

In a series of stories, *Pensions & Investment Age* examines how each of the Bell babies is grappling with the task of consolidating the newly disaggregated assets and charting a definite game plan.

The series is based on interviews with the top financial officers of the new companies, and begins with U S WEST. The pension fund is spotlighted on this page, the corporate finance outlook is on page 33 and the cash management operation is on page 39.

U S WEST jumps out of the starting gate

By Fred Williams

ENGLEWOOD, Colo. — Less than two months after inheriting $2.3 billion in pension assets from AT&T, U S WEST already has hired Citibank as a venture capital adviser.

James Biundo, director of trust investment management, said Citibank will be given $10 million to $15 million initially, with the possibility of increasing the allocation to $25 million.

"This is not the type of thing you want to go too fast in," he said.

Other than the venture capital investment, U S WEST will go through an initial shakedown and planning period before making any changes.

Mr. Biundo heads the nine-member trust investment group at U S WEST, which is responsible for the central management of all the company's trust assets. The principal trust is the pension fund.

In addition to the $2.3 billion, $1.8 billion in pension assets will be transferred to U S WEST from American Telephone & Telegraph Co. when actuarial evaluations are completed, probably by mid-1985, Mr. Biundo said.

The total $4.1 billion is U S WEST's share of the approximately $54 billion in pension fund assets being parceled out to seven regional holding companies created

Continued on page 55

James Biundo

...l Section
...rts
...
...e 17
PI
DC 20014 STATLR FMPJ
STATISTICAL REFERENCE INDEX
4520 EAST-WEST HWY SU 800
WASHINGTON DC 20014

Court upholds asset reversion

Time recaptures $4 million

By Richard J. Gillespie

WASHINGTON — A U.S. Court of Appeals here upheld a lower court decision awarding Time Inc. more than $4 million in surplus pension assets of the now-defunct Washington Star.

The case shed light on the question of ownership of surplus pension fund assets in non-salary reduction plans. The surplus results when a defined benefit pension fund is terminated and liabilities have been paid.

Robert Paul, a lawyer representing four of six unions that fought to block the reversion, said that based on the decision, it appears companies are allowed to rewrite plan documents at the last minute to recapture excess pension fund assets.

"I think Congress will have to do something to stop the major erosion of the protection of ERISA (the Employee Retirement Income Security Act)," he said.

"If the employers can get away with these last-minute amendments to pension plans in order to recoup millions of dollars that for years was to be spent on the retirees, then it turns ERISA on its head and, in effect, makes it a statute for lawyers to cleverly come up with last-minute amendments," he said.

But the lawyer, now a judge, who argued the case for Time Inc., rebutted Mr. Paul's assertions.

"The amendment of which the plaintiffs complained reflected the exercise of a power that the employer had always retained, and I think as the judges held, retained clearly and unambiguously," said Marvin E. Frankel, who represented Time Inc., owner of the Washington newspaper.

> *"I think Congress will have to do something to stop the major erosion of the protection of ERISA"*

"The surplus that . . . was retaken by the employer was only available to the employer after provision had been made for every one of the benefits that any employee had ever been given any right to anticipate under this plan, and not one dollar was short."

A paragraph originally contained in the Washington Star pension fund's trust agreement, but not in its plan document, had stated that in the event of a plan termination, "no part of the trust fund shall ever revert to the company or inure to its benefit prior to the satisfaction of all liabilities to employees under the plan."

In 1976, the trustees amended both the plan document and trust agreement, and included a provision enabling the trust agreement to be amended again in the future.

At that time, the trustees also added some new wording dealing with termination: "In no event shall any of the trust fund be . . . returned to the employer or be used for, or diverted to, purposes other than for the exclusive benefit of employees covered by the plan or their beneficiaries."

But in July 1981, immediately

Continued on page 51

Accord reached on McLouth plan

By Joel Chernoff

WASHINGTON — The Pension Benefit Guaranty Corp. will pick up millions of dollars in claims from its agreement in principle to undo the spinoff/termination of McLouth Steel Corp.'s pension plan for hourly workers.

Current estimates are not available, but the PBGC previously had estimated that rolling back the spinoff and terminating the entire plan would cost it $42 million, instead of $13 million for terminating the retiree portion alone.

The PBGC had feared that allowing the spinoff/termination for McLouth would set a potentially dangerous precedent, enabling sponsors of ongoing underfunded plans to dump their liabilities on the agency.

The PBGC arrived at the arrangement with McLouth Steel Corp.; McLouth Steel Products Co., a unit of Tang Industries Inc.; and the United Steelworkers of America, which represents the hourly employees.

In fall 1982, Tang purchased the assets of McLouth Steel Corp. Tang then put those assets into a separate unit, McLouth Steel Products Co. McLouth Steel Corp. still exists, but is in bankruptcy proceedings.

As part of the sale, old McLouth terminated the plan for salaried workers and split the plan for hourly workers into separate parts for active and retired employees. McLouth filed to terminate the plan for retired hourly workers, and the active plan was transferred to the Tang unit.

Under the agreement, both the active and retiree portions of the old McLouth hourly plan will be terminated retroactively to Nov. 30, 1982, with the PBGC assuming the liabilities for unfunded guaranteed benefits. In effect, the spinoff of the original plan was rescinded.

In addition, McLouth Steel Products will make payments to the PBGC, based on the contributions it had planned to make to the active workers' plan, to cover liabilities for past service, according to the union and the company.

Lastly, a new defined benefit plan created by McLouth Steel

Continued on page 51

Highlights

CASH MANAGEMENT

U S WEST's state-of-the-art system 39
No nostalgia for manual days 39
Cash notes 40

CORPORATE FINANCE

U S WEST stresses decentralization 33
Firm predicts election year 'growth recession' .. 33
Corporate notes 33

DAN DORFMAN

Fed must ease to relieve market 46

GENERAL NEWS

Merchants Investment's staff defects 4
Morgan Guaranty combines four vehicles 6
S&P 500 total return questioned 7
Banks put trust in outside managers 8
Professor: stock market not efficient 26
Pilots' union seeks to terminate fund 30
Bond strategies anything but fixed 31
Fundamental focus aids bank revamp 32
Torray Clark leads CDA survey 36
$115 million committed to venture-cap fund 47

INTERNATIONAL

Britain focuses on investment, pension reform 13
Global strategy rounds off fund 13

OTHER DEPARTMENTS

Corrections 6
Editorials 10
Letters 10
Money movers 54
People 52
Washington notebook 36

P.I.P.E.R.

Slack bond market spurs return to basics 17
Cumulative equity fund performance 18
Cumulative bond fund performance 20
Top quartile equity funds 21
Top equity funds by size 22
Top bond funds by size 23
Top quartile bond funds 23

REAL ESTATE

Real estate venture offers other pooled funds . 27
Wrap-up 27
File 27

SPONSOR'S CORNER

Williams: Reasons behind shift in plans 37

Vol. 12, No. 4 — Pensions & Investment Age (ISSN 0273-5466) is published every other Monday at 740 Rush St., Chicago, Ill. 60611. Second class postage paid at Chicago, Ill. and at additional mailing offices. Postmaster: Send address changes to Pensions & Investment Age, Circulation Dept. 740 Rush St., Chicago, Ill. 60611. Copyright 1984.

Late news

Continued from page 1

After 22 years with Equitable Life Assurance Society of the United States, Mr. Morton took early retirement a year ago when the insurer relocated. In the interim, he has been vice president for investments at Columbia University, New York.

Stockton TRI ruling

WASHINGTON — Stockton TRI Industries must pay a multiemployer pension fund its share of the unfunded liabilities, a U.S. Court of Appeals ruled Feb. 14.

Stockton notified the International Association of Machinists National Pension Fund April 14, 1980, that it would quit the fund April 30. But the following September, Congress passed the Multiemployer Pension Plan Amendments Act, retroactive to April 29.

The fund hit the firm with a $114,282 bill for withdrawal liability, but the company balked. The I.A.M. fund sued, and a lower court said the firm's obligation ended with its notice to withdraw.

The U.S. Court of Appeals for the District of Columbia reversed that ruling, saying the firm was contracted to contribute until April 30.

However, the appeals court sent the case back to a lower court to consider whether the 1980 law's retroactive provision is constitutional. That issue is now before the U.S. Supreme Court.

Exemption granted

WASHINGTON — Employers leaving a West Coast maritime multiemployer plan will not have to pay their share of the plan's unfunded liabilities, under an exemption granted by the Pension Benefit Guaranty Corp.

The exemption will enable stevedoring firms that cease operations to avoid paying withdrawal liability to the International Longshoremen's and Warehousemen's Union-Pacific Maritime Association pension plan.

Advisory firm spun off

SAN DIEGO — California First Bank has decided to spin off its tax-exempt money management operations into a separate subsidiary.

The new venture, California First Capital Management Inc., La Jolla, will open March 1. It will manage all of the bank's trust funds and corporate pension accounts, totaling $170 million.

The bank's current portfolio managers — William Jeffery III, Ken McCain and Ted Nay — will operate the new subsidiary.

Furnary joins adviser

NEW YORK — Stephen J. Furnary has joined Jones Lang Wootton Realty Advisers as a partner and senior portfolio manager.

Broker sub launched

NEW YORK — Rothschild Inc. has launched a new subsidiary, Rothschild Securities Trading Inc., that will act as a broker in domestic securities and a market maker in U.S. over-the-counter stocks. James G. Gahan has been named president of the new firm.

Bank hires FRIMCO

ANCHORAGE, Alaska — The National Bank of Alaska has allocated a portion of pension assets under management to commingled funds run by Frank Russell Investment Management Co., said Charles Bailey, vice president and trust investment officer.

Of the $250 million the bank manages, initially $25 million will be committed to FRIMCO, the bank's sole outside manager. Pringle, Flinn, Elvins & Donahoe Inc., Seattle, was dismissed.

Investment adviser questionnaires due

NEW YORK — *Pensions & Investment Age's* annual Investment Adviser Directory questionnaires are due now.

The directory will profile the nation's leading money managers for tax-exempt investors. Managers who have not returned their questionnaires should do so immediately. Those who have not received one should call Eddy Christman at (212) 210-0117.

Weirton not part of National sale

By Kimberly Blanton

PITTSBURGH — The $100 million unfunded pension liability of National Steel Corp.'s former Weirton plant will be retained by the holding company that is selling National Steel to U.S. Steel Corp.

Last fall, plant employees bought the works from National Steel after the company threatened to close it. National Steel agreed to assume the plant's $100 million unfunded liability for five years, and permanently if the Weirton plant fails.

In agreeing to sell its steel works, National Intergroup, the holding company, will retain the pension liability, a National source said.

"U.S. Steel is taking the pension assets and benefits for all of National Steel Corp.," except Weirton, the source said. Including the contingent pension liability in the deal would have cut into the purchase price for the steel operation, reportedly around $1 billion. This would have left National with less to pursue other areas of business.

U.S. Steel has agreed in principal to pay $575 million cash and assume $400 million of National Steel's long-term debt.

National Intergroup will be released from the liability if the plant succeeds. It was bought through an employee stock ownership plan.

The unfunded liability on the Weirton plant alone is around $100 million. On Sept. 30, National reported pension assets of $943 million. About one-fourth of those assets are for the steel company subsidiary and will be turned over to U.S. Steel.

"The company for some time has wanted to pursue a new direction outside the steel business. And one of the problems has been that the pension liabilities have been so huge that if you sell them off, there's nothing left in the purchase price," the National source explained.

However, the Justice Department's Feb. 15 decision to oppose the LTV Corp.'s plan to acquire Republic Steel Corp. was seen as killing almost all hope for the completion of the National sale. Although the department did not specifically mention the deal, antitrust attorneys reportedly said approval now was highly unlikely. ■

P.I.P.E.R.

The statistical data is extracted from Pensions & Investments' Performance Evaluation Report, a quarterly performance evaluation service published by *Pensions & Investment Age*. P.I.P.E.R. details comparative performance data on equity and fixed-income funds at more than 200 banks and insurance companies.

The report is compiled by Rogers, Casey & Barksdale Inc., Stamford, Conn. Information from the report is extracted and published quarterly in regular issues of *P&I Age*.

Firms turn to basics in slack bond market

By Rose Darby

NEW YORK — An emphasis on sound corporate fundamentals and a constant search for undervalued sectors helped top-ranked P.I.P.E.R. fixed-income managers weather the storm of slack fourth-quarter bond markets.

Some fixed-income managers said they feared the bond market was beginning to resemble the "go-go" markets of the late 1960s, which were subject to very rapid fluctuations.

Others, however, expect bonds to trade in a very narrow range in 1984, moving up at least after midyear.

Sticking to sound, historically tested principles paid off for the best-performing managers in the Pensions & Investments' Performance Evaluation Report on 231 bank and insurance company commingled, fixed-income funds.

Landmark First National Bank of Fort Lauderdale, Fla., emerged the leader for the quarter ended Dec. 31, 1983, with a 4.4% return on its $3.6 million fund.

John C. Schenck, vice president and senior trust investment officer who oversees the fund, said it was invested heavily in government guaranteed securities and Treasuries, with a light holding in corporate bonds.

Two swaps took place late last year that were partly responsible for boosting performance, he added.

Mr. Schenck said that for the rest of 1984, "we expect rates to remain close to current levels and expect them to be up a bit toward year-end. Right now, we're going into a flattish period for interest rates."

To continue the Employee Benefit Income Fund's exemplary performance, Mr. Schenck said, "we tend toward short to intermediate maturities, and have staggered them fairly well to take advantage of this throughout the year."

Landmark First National manages roughly $700 million in employee benefit funds, Mr. Schenck added.

Second in performance for the fourth quarter was the private placement account of Mutual of New York with a return on investment of 3.2%.

A public bond fund managed by MONY came in seventh for the period, with a 2.6% return.

Ranking third was Southeast Bank in Miami, with a quarterly return of 3%.

Following close behind were the $25 million Fixed Income Commingled Trust Fund at First National Bank of Jackson, Miss., 2.8%, and IAA Trust Co. of Bloomington, Ill., with 2.7%.

The median fund for the fourth quarter came in at 1.6%.

For the year ended Dec. 31, Security Pacific placed first with a return of 17.7%.

First Variable Life in Arkansas, with 17%, was second and Merchant's National Bank in Mobile, Ala., was third with 14.1%.

The median fund for the same period had an 8% return on investment.

MONY's private placement fund came in fourth for the year with a 13.4% return, while its public bond fund placed eighth with 12.1%.

Michael Drabb, senior vice president at MONY, who oversees both funds, said the private placement fund consists of $10 million in pension assets and the public bond fund totals $46 million to $48 million in corporate bonds.

MONY manages roughly $3.5 billion in fixed-income accounts for pension funds, he added.

The main attraction of the direct placement fund, he explained, is that "we locked in a high yield on a directly negotiated investment with a non-call feature. So, we know that yield will be there for a while."

In the public bond fund, Mr. Drabb said, "we don't do a lot of active trading, but rather concentrate on sound fundamentals, especially in industries where values aren't fully recognized." He included the CATV industry and banks and finance companies among these.

During the rest of this year, Mr. Drabb said, "we think there is going to be a fairly narrow trading range. A spread of about 250 basis points will be about it."

Placing fifth for the year was First National Bank in Jackson, with a 12.8% return.

Among the titan funds of $100 million or more, CIGNA Corp. took the winner's laurel for the year ended Dec. 31, with a 9.6% return. Prudential was close behind with 9.3%, and Morgan Guaranty was third with 9.1%.

CIGNA's commingled public bond account totals $217 million, according to Paul Wilson, vice president and manager of the fund for CIGNA Investment Management Corp., the money management arm for the insurance giant.

"We try to assess where we are in the overall business cycle and then determine what will happen to inflation at that point. We then translate that into interest rate forecasts for that same period, and as a result

Continued on page 25

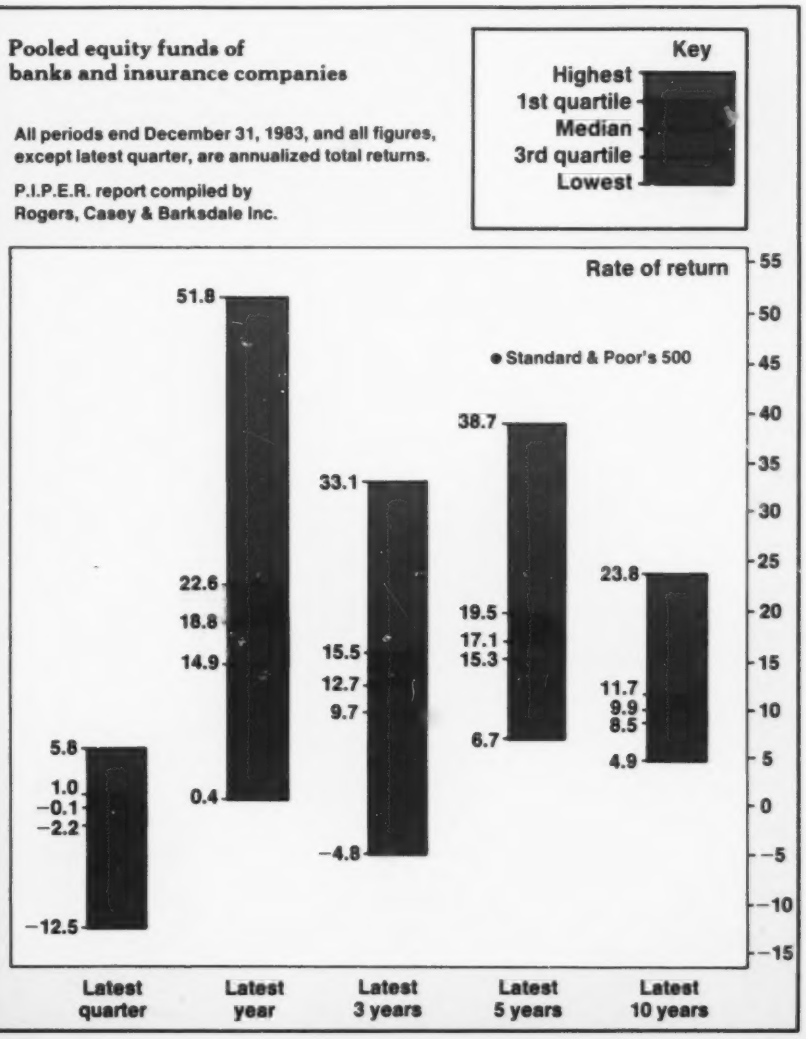
This special section contains:

Equity returns: all funds **pg.18**
Fixed-income returns: all funds ... **pg.20**
Top quartile equity funds **pg.21**
Top quartile fixed-income funds ... **pg.23**
Equity performance by size **pg.22**
Fixed-income performance by size . **pg.23**

Pooled equity funds of banks and insurance companies

All periods end December 31, 1983, and all figures, except latest quarter, are annualized total returns.

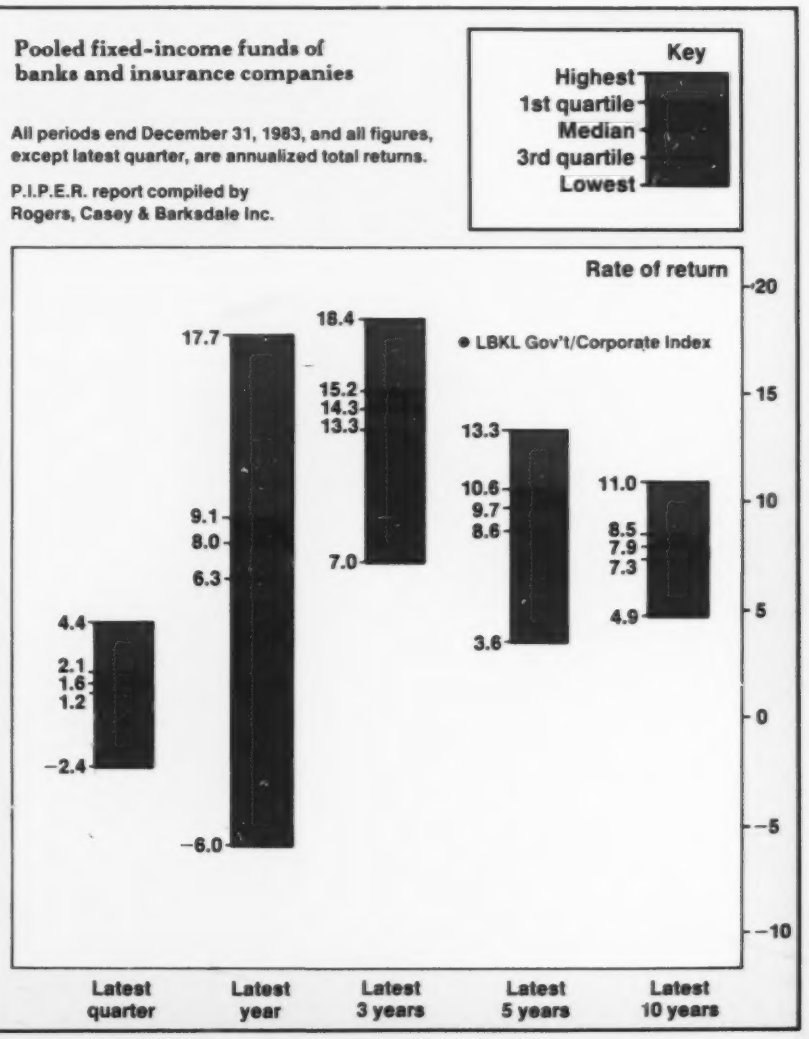
P.I.P.E.R. report compiled by Rogers, Casey & Barksdale Inc.



Pooled fixed-income funds of banks and insurance companies

All periods end December 31, 1983, and all figures, except latest quarter, are annualized total returns.

P.I.P.E.R. report compiled by Rogers, Casey & Barksdale Inc.



P.I.P.E.R.

Equity performance

Cumulative periods ending 12/31/83

	No. of years			
	1	5	10	DCR
	%			
Allied Bank, Texas	15.1	15.7	(1)	—
American Fletcher, Ind.	15.7	15.3	8.5	8
American National, Minn.	6.8	11.4	7.8	9
American Natl. Austin, Texas	5.2	9.9	8.2	9
American Natl., Chicago	32.2	21.0	(1)	—
American Natl. (Index), Chicago	22.5	17.2	10.3	5
American Security, D.C.	21.5	19.6	11.2	3
AmeriTrust, Ohio	24.6	16.6	10.6	4
AmSouth, Ala.	30.1	24.2	17.4	1
BancTexas Dallas	13.9	12.8	12.3	2
Bank of America, Calif.	19.6	10.7	5.2	10
Bank of California	15.1	15.6	7.4	9
Bank of Delaware	22.0	18.5	11.9	3
Bank of New England, Mass.	10.9	14.9	8.0	9
Bank of New England (grp.), Mass.	32.4	(1)	(1)	—
Bank of New York	14.3	14.0	7.7	9
Bank of Oklahoma	18.8	18.2	11.6	3
Bank of Southwest, Texas	21.4	17.5	7.9	9
Bank of the West, Calif.	8.3	(1)	(1)	—
Bank One, Ohio	5.3	16.9	5.7	10
Bankers Life, Iowa	34.0	21.6	16.9	1
Bankers Trust, N.Y.	17.6	17.6	8.8	7
Bankers Trust (Index), N.Y.	23.7	17.8	(1)	—
Bessemer Trust, N.Y.	24.5	25.7	17.4	1
Beverly Bank, Ill.	21.3	16.7	9.0	7
Boatmen's Bank, K.C., Mo.	6.8	11.7	(1)	—
Boatmen's National, Mo.	12.4	16.0	(1)	—
Boston Safe Deposit	21.8	16.2	7.1	10
California First Bank	16.7	20.2	9.2	7
Capital Bank, Houston	19.2	23.1	14.8	1
Centerre Trust, Mo.	20.2	18.5	8.4	8
Central Bank, Denver	16.8	16.5	8.8	8
Central Fid., Lynchburg, Va.	10.7	14.5	8.0	9
Central Fid., Richmond, Va.	15.0	15.9	10.6	4
Central Natl. Cleveland	20.5	15.8	10.8	4
Central Pennsylvania	19.6	16.1	10.5	4
Central Trust, Ohio	15.5	15.2	9.0	7
Chase Manhattan, N.Y.	24.2	20.2	10.0	5
Chemical Bank, N.Y.	11.9	15.7	9.5	6
Chicago Title & Trust	23.4	18.5	12.1	2
CIGNA Corp., Conn.	15.0	19.7	11.7	3
Citibank, N.Y.	21.2	19.6	9.3	6
Citizens Chillicothe, Mo.	4.7	23.3	18.5	1
Citizens Fidelity, Ky.	20.3	17.7	(1)	—
Citizens Trust Co., Wis.	16.3	(1)	(1)	—
Citizens & Southern, Ga.	10.4	13.0	9.4	6
College Ret. Equities Fund	25.1	17.0	9.5	6
Colorado Natl. Bank	22.3	19.7	10.3	5
Comerica Bank, Mich.	19.1	14.3	7.6	9
Commonwealth Natl., Pa.	14.9	19.3	11.4	3
Confederation Life, Ontario	23.7	22.3	16.5	1
Connecticut Mutual Life	32.8	20.9	11.0	4
Connecticut National Bank	19.0	14.8	8.9	7
Continental Bank, Pa.	21.9	19.6	10.2	5
Continental Illinois	14.8	16.6	7.5	9
Crocker National, Calif.	19.6	17.2	10.2	5
Crown Life, Ontario	14.2	16.1	12.6	2
Cullen Bank, Texas	24.8	15.0	(1)	—
Dauphin Deposit, Pa.	22.6	19.2	(1)	—
Employers Life of Wausau, Wis.	21.7	27.1	15.7	1
Equibank, Pa.	13.6	12.4	(1)	—
Equitable Life (No. 1), N.Y.	17.5	17.4	9.5	6
Equitable Life (No. 4), N.Y.	20.5	24.1	12.8	2
Fidelity Bank, Okla.	17.2	14.2	6.3	10
Fidelity Bank, Pa.	17.6	11.3	6.5	10
Fidelity Mgmt. Trust, Mass.	32.9	(1)	(1)	—
Fidelity Union, N.J.	23.8	18.9	9.5	6
Fifth Third Bank, Ohio	21.4	19.5	13.3	2
First Bank Milwaukee	16.9	18.3	9.6	6
First Citizens, N.C.	19.2	(1)	(1)	—
First City Dallas	10.5	13.3	8.3	8
First City Natl. Houston	18.3	19.3	10.5	4
First Interstate of Ariz.	14.1	15.5	7.2	10
First Interstate of Calif.	6.0	13.2	8.3	8
First Interstate of Nevada	8.6	22.6	(1)	—
First Interstate of Oregon	31.6	18.8	11.7	3
First Interstate of Wash.	19.0	18.2	13.0	2
First Jersey Natl., N.J.	22.2	16.2	12.3	2
First Kentucky Trust	16.4	17.4	10.0	5
First Merch., Richmond, Va.	26.4	18.4	(1)	—
First Natl., Lincoln, Neb.	16.3	18.1	10.6	4
First Natl. of Commerce, La.	12.9	19.9	11.9	3
First Natl. of Tulsa, Okla.	13.4	15.3	6.2	10
First Natl. State, N.J.	11.3	13.7	8.4	8
First of Allentown, Pa.	17.2	16.5	(1)	—
First of Boston	20.4	15.3	8.1	9
First of Chicago	23.2	15.9	10.3	5
First of Cincinnati	11.3	14.9	8.4	8
First of Elgin, Ill.	13.4	16.2	(1)	—
First of Grand Island, Neb.	23.2	(1)	(1)	—
First of Kansas City, Mo.	18.6	16.4	8.0	9
First of Kenosha, Wis.	17.4	15.0	14.2	1
First of Minneapolis	19.3	13.6	8.8	8
First of Mobile, Ala.	16.6	16.1	8.5	8
First of Neenah, Wis.	14.9	15.8	9.2	7
First of Oklahoma	22.6	25.9	14.3	1
First of Pennsylvania, Erie	22.1	13.0	10.6	4
First of Shreveport, La.	11.0	13.4	(1)	—
First of Warsaw, Ind.	27.1	18.0	10.7	4
First Pennsylvania Bank	22.0	16.0	11.8	3
First Tennessee, Chat.	17.5	18.6	12.7	2
First Tennessee, Memphis	23.1	19.8	11.5	3
First Trust Corp., Colo.	16.2	22.2	15.7	1
First Trust St. Paul, Minn.	22.6	18.0	10.2	5
First Union Bank, N.C.	40.1	26.8	12.2	2
First Variable Life, Ark.	44.0	23.6	20.0	1
First Wis. Natl. Madison	31.9	23.0	20.2	1
First Wisconsin Trust	18.6	17.9	(1)	—
Fleet Natl. Bank, R.I.	5.3	13.5	5.7	10
Florida Natl. Bank	15.5	13.9	(1)	—
Fourth Natl. Tulsa, Okla.	24.4	19.5	(1)	—
Fourth Natl. Wichita, Kan.	10.9	12.6	10.3	5
Gary Wheaton Bank, Ill.	6.7	15.5	7.2	10
General American, Mo.	10.5	12.9	(1)	—
Genesee Merchants, Mich.	13.6	18.5	8.6	8
Girard Bank, Pa.	11.4	19.2	9.4	6
Great West Life, Manitoba	22.2	16.7	8.2	9
Greeley Natl., Conn.	12.1	9.6	(1)	—
Guardian Insurance, N.Y.	28.6	21.8	19.3	1
Hamilton Bank, Pa.	19.0	17.2	8.2	9
Harris Trust, Ill.	16.4	15.5	8.8	7
Hawaiian Trust	14.8	15.8	8.9	7
Heritage Trust, Wis.	15.9	15.7	9.2	7
Hibernia National, La.	12.4	13.4	12.8	2
Home Life, N.Y.	15.0	24.3	13.0	2
HT Investors, R.I.	20.3	18.4	9.9	5
Huntington Banks, Ohio	24.1	21.7	10.0	5
IAA Trust Co., Ill.	22.0	20.4	(1)	—
Indiana National Bank	14.7	17.1	(1)	—
Interfirst Invt. Mgmt., Texas	17.0	18.3	10.6	4
Irving Trust, N.Y.	28.9	17.2	7.5	9
Irwin Union Bank, Ind.	9.9	11.4	7.8	9
Jefferson Trust, Ill.	21.9	14.9	11.7	3
Kellogg Bank, Wis.	7.8	13.4	9.3	7
Key Trust Co., N.Y.	18.9	15.2	8.8	7
Lake Shore Natl., Ill.	23.7	19.8	10.4	4
Landmark First Natl., Fla.	20.4	17.3	(1)	—
Landmark Union Trust, Fla.	21.9	19.7	14.7	1
Liberty Natl., Ky.	22.9	(1)	(1)	—
Life of Virginia	27.5	19.5	12.9	2
Lincoln National, Ind.	21.0	16.0	9.3	6
Lincoln Natl. Pens., Ind.	19.2	(1)	(1)	—
Lloyds Bank, Calif.	13.2	15.4	7.9	9
Long Island Trust, N.Y.	7.5	17.3	8.4	8
Manufacturers Detroit	24.9	19.8	11.6	3
Manufacturers Hanover, N.Y.	17.2	17.1	7.7	9
Manufacturers Life, Ontario	51.8	38.7	23.8	1
Manufacturers & Trader, N.Y.	20.4	6.7	4.9	10
Marine Bank, Pa.	20.3	(1)	(1)	—
Marine Midland, N.Y.	27.3	(1)	(1)	—
Marine Trust, Wis.	12.7	20.8	10.7	4
Marquette Natl., Minn.	12.8	9.8	9.6	6
Maryland National	21.8	15.6	9.0	7
Massachusetts Mutual	24.2	21.1	14.2	1
Mellon Bank, Pa.	26.0	14.6	7.0	10
Mercantile Natl., Ind.	25.8	(1)	(1)	—
Mercantile Safe, Md.	27.5	19.7	8.3	8
Mercantile Trust, Mo.	33.4	17.0	9.9	6
Merchants Natl., Ala.	34.7	17.2	9.9	6
Merchants Natl., Iowa	14.3	13.6	(1)	—
Merchants Natl., Ind.	15.0	15.8	9.2	7
Merchants Natl., Pa.	17.6	15.0	(1)	—
Metropolitan Life, N.Y.	17.5	16.1	7.0	10
Mich. Natl. of Detroit	11.6	13.0	7.2	10
Mich. Natl. of Grand Rapids	11.9	13.4	10.7	4
Midlantic National, N.J.	16.9	15.5	10.7	4
Mid-State Bancorp., Pa.	22.1	19.4	(1)	—
Minnesota Mutual	32.0	19.8	13.3	2
Moline National, Ill.	10.6	15.9	11.5	3
Morgan Guaranty, N.Y.	22.8	16.0	(1)	—
Mutual Benefit, N.J.	30.0	20.2	11.3	3
Mutual of N.Y.	19.0	15.7	8.0	9
Natl. of Commerce San Antonio	14.9	18.3	10.3	5
Natl. Bank of Detroit	14.5	13.1	8.6	8
Natl. City Cleveland	21.9	20.2	11.8	3
Natl. of Commerce, Neb.	17.4	20.3	14.2	1
Natl. of Commerce, Tenn.	29.8	(1)	(1)	—
Natl. Westminster, N.Y.	21.1	16.9	8.6	8
New England Mutual, Mass.	13.5	19.1	10.0	5
New Jersey National	15.7	15.5	9.2	7
North Carolina Natl. Bank	4.6	14.0	9.2	7
Northern Trust (con.), Ill.	19.0	20.5	11.7	3
Northern Trust (div.), Ill.	18.0	17.8	8.9	7
Norwest Bank, Minn.	17.1	17.2	10.4	5
Ohio Citizens Trust	14.3	18.3	10.1	5
Old Kent, Mich.	20.3	17.2	8.9	7
Old National, Wash.	16.1	15.7	9.5	6
Old Second Natl., Ill.	15.0	14.8	10.6	4
Olympic Bank, Wash.	18.0	18.4	11.0	4
Oregon Bank	22.6	13.9	10.1	5
Ouachita Natl., La.	9.1	13.8	(1)	—
Pacific Mutual, Calif.	15.1	16.1	10.6	4
Pennsylvania Mutual Life	27.4	20.5	13.9	2
Peoples Trust, Ind.	9.0	9.3	7.0	10
Philadelphia Life, Pa.	22.1	25.7	19.5	1
Pioneer Bank, Ill.	29.4	(1)	(1)	—
Pittsburgh Natl., Pa.	19.3	15.2	(1)	—
Pittsburgh Natl. (QMS), Pa.	16.5	18.7	12.3	2
Planters National, N.C.	16.5	19.7	(1)	—
Provident Bank, Ohio	10.0	13.1	9.8	6
Provident Mutual, Pa.	18.4	17.3	12.1	3
Provident National, Pa.	35.5	23.8	12.9	2
Prudential, N.J.	17.8	15.5	9.7	6
Puget Sound Natl., Wash.	0.4	14.9	7.2	10
Rainier National, Wash.	18.9	20.6	10.5	4
Republic National, Dallas	28.3	17.5	8.9	7
Resource Bank & Trust, Minn.	23.9	(1)	(1)	—
Riggs of Washington	10.3	14.4	8.5	8
Seattle First National	4.3	15.5	8.6	8
Seattle Trust	33.2	18.8	11.5	3
Security Natl. Bank, W. Va.	18.6	(1)	(1)	—
Security Pacific, Calif.	7.0	(1)	(1)	—
Security Peoples Trust, Pa.	15.5	14.8	9.5	6
Security Tr., Rochester, N.Y.	23.5	19.4	12.0	3
Sentry Life, Wis.	15.3	20.2	12.1	2
Shawmut of Boston	16.4	10.7	5.7	10
Society Natl., Ohio	16.7	(1)	(1)	—
Southeast Bank, Fla.	21.3	19.1	8.3	8
State Street Bank, Mass.	21.8	19.4	8.1	9
St. Louis County Bank, Mo.	21.3	16.0	8.7	8
Summit & Elizabeth, N.J.	18.8	10.7	7.1	10
Sun Bank, Fla.	33.3	21.9	(1)	—
Texas American Bank	15.4	17.1	12.0	3
Texas Commerce	27.5	22.6	10.3	5
Third Natl. Nashville, Tenn.	13.2	17.0	9.2	7
Toledo Trust	16.7	13.7	7.3	10
Travelers, Conn.	16.1	17.3	10.8	4
Trust Co. of Georgia	11.3	16.1	9.1	7
Trust SVCS of Amer., Calif.	15.5	16.4	9.4	6
Unibanctrust, Ill.	20.0	20.0	9.8	6
Union Central, Ohio	30.8	19.3	12.1	3
Union Natl., Wichita, Kan.	12.3	15.4	(1)	—
Union Planters, Tenn.	17.2	16.8	10.3	5
United Missouri, K.C.	21.3	16.7	10.3	5
United of Denver	31.4	26.4	13.4	2
United Virginia Bank	19.7	19.3	9.9	6
US Natl. of Galveston, Texas	26.4	21.5	16.9	1
US Natl. of Oregon	25.9	25.2	15.9	1
US Trust, N.Y.	24.9	15.4	5.0	10
Valley Natl., Ariz.	19.7	14.1	6.2	10
Virginia Natl.	16.0	16.5	9.6	6
Wachovia Bank, N.C.	21.6	16.0	8.4	8
Wachovia Bank (Mgt.), N.C.	16.3	(1)	(1)	—
Wheeling Dollar Bank, W. Va.	22.2	21.3	13.4	2
Wilmington Trust, Del.	19.4	17.6	8.7	8
Standard & Poor's 500	**22.6**	**17.4**	**10.7**	**4**

(1) - Fund too new
DCR - 10-year decile rank.